

Department of Social and Health Services

DP Code/Title: M2-UA Incapacity Exams
Program Level - 060 Economic Services Admin

Budget Period: 2003-05 Version: F2 060 2003-05 2004 Sup-Agency Req

Recommendation Summary Text:

The final 2003-05 budget reduced the requested increase for Incapacity Exams based on a lower cost per case than was indicated in the agency's request. The revised cost per case used in the final budget was based on the average cost for the last three years and does not accurately reflect the current cost for these exams. This is a technical correction. Statewide result number 5.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	766,000	470,000	1,236,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	157,000	96,000	253,000
Total Cost	923,000	566,000	1,489,000

Staffing

Package Description:

During the 2003 Legislative Session, the Economic Services Administration (ESA) requested additional funding for incapacity exams in the State Fiscal Year 2003 Supplemental Budget and the 2003-05 Biennium Budget. The Legislature approved the supplemental budget request using the methodology supplied by the department. However, the final 2003-05 Biennium Budget reduced the requested increase for these exams based on a lower cost per case than was indicated in the agency's original budget document, which used current rate data. The final budget figures are based on an average cost per case over the last three fiscal years. The funded level does not accurately reflect the current cost per case, consequently there is a shortfall in the budget for these exams.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This proposal supports our goal to maintain a safety net for people in need.

Performance Measure Detail

Program: 060

Goal: 02F Maintain safety net for people in need.

No measures submitted for package

Incremental Changes

FY 1

FY 2

Reason for change:

This is a technical correction to the 2003-05 budget, which would adequately fund the incapacity exams needed for clients to establish or document a disability allowing clients to move from the State funded GA-X program to the federally funded Supplemental Security Income (SSI) program.

Impact on clients and services:

This proposal would allow ESA to continue moving clients from a General Fund-State (GF-S) funded program to a federally funded program.

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Impact on other state programs:

SSI Facilitation - Initial medical evidence that proves eligibility for General Assistance clients may not provide enough information to indicate or support claims of disability. Without additional medical information, the client's application for SSI is typically denied. The department has an interest in providing additional evidence to recover potential GA-X funds when the SSI applications are approved.

Alcohol and Drug Addiction Treatment and Support Act (ADATSA) - When a client has chronic health issues and is eligible for state-funded ADATSA shelter cash assistance, the client is required to file an SSI application and ESA meets the cost of obtaining medical evidence to support the application.

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

There are no alternatives that would provide access to medical evidence at a lower cost. Medical evidence providers would restrict their availability and delivery of evaluation services, making it very difficult to get the objective evidence required by state law or federal regulations.

Budget impacts in future biennia:

The additional costs for Incapacity Exams will continue into future biennia.

Distinction between one-time and ongoing costs:

The funding to support Incapacity Exams is ongoing.

Effects of non-funding:

Clients would not receive benefits for which they are eligible because of the inability to document their disability.

Expenditure Calculations and Assumptions:

Requested funding: \$1,770,000 per year
Approved funding: \$ 847,000 SFY04
\$1,204,000 SFY05

Variance: \$ 923,000 SFY04
\$ 566,000 SFY05

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	923,000	566,000	1,489,000

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DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	766,000	470,000	1,236,000
<i>Total for Fund 001-1</i>		766,000	470,000	1,236,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	157,000	96,000	253,000
<i>Total for Fund 001-C</i>		157,000	96,000	253,000
Total Overall Funding		923,000	566,000	1,489,000